

HRM Procedures & Present Situation in Microcredit Sector of Bangladesh: Study on Mid-Level NGO's

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Abstract- Capital structure plays an important role in organizational performance. Sources of funds for micro-finance institutions (MFIs) and their performance and financial sustainability as well as HR practice become an important topic for the MFIs and poverty alleviation initiatives to achieve sustainable development goals (SDGs) of the UN. My research focuses on studying the relationship between capital structure and financial performance of micro-finance institutions as well as achieving the objectives of this program by reaching out to the deserving clients without collaterals and what is the factor on HR practice in this sector. A dataset of 08 mid-level MFIs is used to establish the relationship between the capital structure and performance of MFIs.

Indexed Terms- micro-finance institutions; capital structure; financial performance; sustainability; reach out.

I. INTRODUCTION

Microfinance operations have been prevailing in Bangladesh since 1970. The progress of the microfinance operations has been continuous since its inception with the implementation of a project in “Jobra” village under Chittagong district in Bangladesh. Afterwards, from 1990, the country experiences a huge expansion of microfinance operations which draws the attention of all important quarters such as donors, developing partners and policy makers all over the world. Sensing the significant development in the area of microfinance and to relending the fund received from the donor countries, the government of Bangladesh established “Palli Karma- Sahayak Foundation”, PKSF (in English it is called “Rural Activities Support Foundation”) in late 1990 (Hasan & Ahmed, 2009). The prime mandate of PKSF is to alleviate poverty with employment creation by providing subsidized

fund to microfinance institutions (MFIs). PKSF provides fund to those MFIs which are its Partner Organizations (PO) to implement development programs designed for the poor. Till October 2015, PKSF provided financial assistance amounting BDT 1906.95 billion to 11.11 million households through 7061 branches of 273 PO in 64 districts (PKSF 2015).

Since the last three decades, Microfinance activities have become a very crucial component in the economy to alleviate poverty in the developing countries and least developing countries (Hasan & Ahmed, 2009). Actually, we may find few poor countries and development donor agencies which are not involved in the microcredit programs. Many achievements are claimed about the impact of microfinance programs, and an outside observer cannot but wonder at the range of diversity of benefits claimed. The poor cannot access to formal banking to get small loan due to policy constraints. Because of this situation, MFIs come forward to provide collateral free loan to the poor people which allows them to involve in various income generating activities.

• MICROFINANCE INSTITUTIONS IN BANGLADESH AND ITS COVERAGE

Bangladesh has played a pivotal role in the movement of microcredit and has shown the world that the poor are creditworthy enough to repay the debt (Faruqee & Badruddoza, 2011). Thus, microfinance has so far reached numerous people across the world. In this regard, MFIs have become dominant financial institutions for the poor who cannot access to formal financial institutions. There are about 1000 listed micro finance institutions (MFIs) now operating in Bangladesh (InM 2015). Beyond the MFIs, Non-government organizations (NGOs) are also actively involved in delivering microfinance activities in Bangladesh. The total amount of credit so far disbursed till 2013 by all the MFIs is BDT 515,364.60

million (CDF 2013).

The overall scenario and performance of MFIs in Bangladesh can be found at a glance from the following Table 1. The table shows the name of the MFIs, numbers of active members, outstanding borrowers, disbursement amount and outstanding amount of loan and number of branches till 2013 in Bangladesh.

Among the top fifty MFIs as reported by Credit and Development Forum (CDF), we have given the key information of the top eight MFIs in Bangladesh. The Table 1 shows that the total number of active members of Grameen Bank was 8543977 while the number of outstanding borrowers is 6738588. The next position is held by BRAC, which has 5640684 active members and 4528600 outstanding borrowers. As the most promising MFI, DISA has been performing very well having 45429 numbers of active members while the outstanding borrowers stands at 36161. The amount of disbursement of loan of DISA for the year 2013 is BDT 921.15 million.

1.1 Background of HRM:

Human Resource Management is defined as the people who staff and manage organization. It comprises of the functions and principles that are applied to retaining, training, developing, and compensating the employees in organization. It is also applicable to business organizations, such as acting, news presenters and Models etc. Human Resource Management is defined as the set of activities, programs, and functions that are designed to maximize both organizational as well as employee effectiveness. Scope of HRM without a doubt is vast. All the activities of employee, from the time of his entry into an organization until he leaves, come under the horizon of HRM. The divisions included in HRM are Recruitment, Payroll, Performance Management, Training and Development, Retention, Employee Relation, etc.

A human resources management (HRM) professional is responsible for successfully acquiring, developing, motivating, and retaining employees. That is, they are on the “people” side of business operations, and because people do the work of organizations, a company’s success rests heavily on the quality of its

HRM. An HRM professional is a full business partner who adds value to business decisions and aligns HR practices with those decisions. The work calls on you to know about compensation and benefits, labor relations laws, how to forecast working needs, organizational learning, and organizational change. “Competitive HRM Practices,” “Negotiations,” and “Cultural Aspects of International Business.” They also select an honors seminar in “Management of Innovation.” In the classroom and on co-op, students gain the acting base of knowledge and the business expertise that’s needed as an HRM professional. Human resource management is an effective tool for organizations in helping businesses succeed in a changeable personnel environment. This guide is based on Human Resource Management in a Business Context, and includes links to extra articles, notes, tips and exercises. It introduces the essential elements of HRM, its origins and applications. HRM is viewed as an all-embracing term describing a number of distinctive approaches to people management. They help the organization to understand and evaluate the different and sometimes ambiguous views of human resource management by investigating its origins, explanatory models, technology and practice.

Human resource (or personnel) management has in the sense of getting things through people. It's an essential part of every manager's responsibilities, but many organizations find it advantageous to establish a specialist division to provide an expert service dedicated to ensuring that the human resource function is performed efficiently. "People are our most valuable asset" is a cliché which no member of any senior management team would disagree with. Yet, the reality for many organizations is that their people remain-

- Under valued
- Under trained
- Under utilized
- Poorly motivated, and consequently
- Perform well below their true capability

The rate of change facing organizations has never been greater and organizations must absorb and manage change at a much faster rate than in the past. In order to implement a successful business strategy to face this challenge, organizations, large or small, must ensure

that they have the right people capable of delivering the strategy. The market place for talented, skilled people is competitive and expensive. Taking on new staff can be disruptive to existing employees. Also, it takes time to develop 'cultural awareness', product/process/ organization knowledge and experience for new staff members. As organizations vary in size, aims, functions, complexity, construction, the physical nature of their product, and appeal as employers, so do the contributions of human resource management. But, in most the ultimate aim of the function is to: "ensure that at all times the business is correctly staffed by the right number of people with the skills relevant to the business needs", that is, neither overstaffed nor understaffed in total or in respect of any one discipline or work grade. These issues motivate a well thought out human resource management strategy, with the precision and detail of say a marketing strategy. Failure in not having a carefully crafted human resources management strategy, can and probably will lead to failures in the business process itself.

1.2 Origin of the Report

This report has been prepared as a requirement of the Doctorate program based upon the mid- level NGO's in Bangladesh.

1.3 Scope and Objectives of the Study

As a business expectative in future, should have to gather experience beside our survey. Should not concern our lesson only in theory but implement it in practical life that will help me in my future life. A clear objective help in preparation of well decorated report in which other take the right type of decision. So identifying objectives is very much important. Our purpose of preparing the report is:

- To know the human resource management (HRM) practice of mid-level NGO's.
- To identify the various avenues for improving the HRM policies of mid-level NGO's
- To know about the management ability of mid-level NGO's.

Suggesting strategies to improve the HRM policies of mid-level NGO's. This study covers the HRM policies

of mid-level NGO's along with some recommendations to improve the HRM policy as well.

1.4 Methodology of the study

A sample survey was conducted to collect primary data using two pre-designed survey instruments from concerned groups following an appropriate sample design. In view of the complexities involved in generating quantitative data for assessing the real impact, qualitative data were also collected using Focus Group Discussions (FGDs). In the context of the unique features of the area an attempt was made to identify the strengths, weaknesses, opportunities and threats of the private HRM sector.

- Impact Study on Microfinance in Bangladesh

There have been many impact studies conducted on microcredit programs since 1980s. The aims of the studies were to evidently and verifiably prove the economic impact of microcredit programs on the livelihood of poor households. Actually, the microcredit programs have been granted so that the poor people can be reached with financial services; they will prudently utilize the funds for investments and other purposes to reduce their poverty level. We have found major variations in methodological approach and scope of studies conducted over more than two decades. The studies can be grouped into different categories: (a) impact or evaluation of microcredit; (b) comparative evaluation of more than one microfinance programs; (c) impact of microfinance programs on poverty; (d) Sustainability analysis; (e) evaluation of performance of different MFIs, and (f) studies on human resources and management systems of organizations.

- Data Collection:

This study is mainly based on secondary data available from the various divisions and departments of SAMADHAN, BKF (Bondhu Kollayan Foundation), SNF (Shishu Niloy Foundation), DESHA-Kustia, SEHEO (Socio Economic Health Education Organization), SDC (Society Development Committee), JCF, MENTIONED ORGANIZATIONS mid-level NGO's, Bangladesh Institute of Development Studies (BIDS). The rational for selecting these organizations was that their organizational background makes them widely acknowledged and accepted as prominent in issues to

know about microfinance related information in Bangladesh. Afterwards, the quantitative and qualitative information are presented through trend analysis and in tabular format. In addition to this other necessary information have been collected from the daily newspapers, relevant journals, annual reports of the above-mentioned mid-level NGO's, website and publications of other relevant institutions have also been taken for consideration.

Primary sources of data:

- Face to face conversation with the mentioned administrative dept. and HRM department's, Officers & staffs.
- Conversation with the field employee.
- Different' manuals study of the mentioned organizations.

Secondary sources of data:

- Procedure manual published by the Mid-level organizations.
- Files and documents of the branch.
- Annual report of Mid-level organizations.
- Unpublished data.
- Different text books.
- Web sites.

Unstructured data:

This data was compiled using information from the mentioned organization's branches and center visits, informal discussions and staff interviews with several branch managers, field staffs and various management level officers conducted during field and head office visits.

1.5 Limitations of the Study:

As a Doctorate researcher of faculty of Business Administration of Lincoln University, Malaysia, this is my initiative for making a report on "HRM Procedures & Present situation in Microcredit sector of Bangladesh: Study on Mid-level NGO's". By meeting a survey, I was really unable to collect enough information from due to their official restrictions. While carry out the study I had to face a few limitations, which are mentioned below:

- The main constraint of the study is inadequate access to information.
- The employees did not disclose much information

for the sake of the confidentiality of the organization.

- Since the branches and other organizations personal were very busy, they could provide me very little time.
- The clients were too busy to provide me much time for interview.
- The time frame fixed to prepare the study report was hard to be met. As a result, sufficient concentration could be given on it, which was needed for a much better study.
- Lack of cooperation with others.

II. AN OVERVIEW ON MICRO-CREDIT

2.1 What is Microcredit?

Much of the current interest in microcredit stems from the Microcredit Summit (2-4 February 1997), and the activities that went into organizing the event. The definition of microcredit that was adopted there was:

Microcredit: programmers extend small loans to very poor people for self-employment projects that generate income, allowing them to care for themselves and their families.

Definitions defer, of course, from country to country. Some of the defining criteria used include- size - loans are micro, or very small in size target users micro-entrepreneurs and low-income households utilization - the use of funds - for income generation, and enterprise development, but also for community use (health/education) etc. terms and conditions - most terms and conditions for microcredit loans are flexible and easy to understand, and suited to the local conditions of the community.

Three C's of Credit

Character: means how a person has handled past debt obligations: Form credit history and personal background, honesty and reliability of the borrower to pay credit debts are determined.

Capacity: means how much debt a borrower can comfortably handle. Income streams are analyzed and any legal obligations looked into, which could interfere in repayment.

Capital: means current available assets of the borrower, such as real estate, savings or investment that could be used to repay debt if income should be unavailable.

2.2 General features of credit are:

- It promotes credit as a human right.
- Its mission is to help the poor families to help themselves to overcome poverty. It is targeted to the poor, particularly poor women.
- Most distinctive feature of credit is that it is not based on any collateral or legally enforceable contracts. It is based on "trust", not on legal procedures and system.
- It is offered for creating self-employment for income-generating activities and housing for the poor, as opposed to consumption.
- It was initiated as a challenge to the conventional NGO which rejected the poor by classifying them to be "not creditworthy". As a result it rejected the basic methodology of the conventional NGO and created its own methodology.
- It provides service at the door-step of the poor based on the principle that the people should not go to the NGO, NGO should go to the people.
- In order to obtain loans a borrower must join a group of borrowers.
- Loans can be received in a continuous sequence. New loan becomes available to a borrower if her previous loan is repaid.
- All loans are to be paid back in installments (weekly, bi-weekly or monthly).
- Simultaneously more than one loan can be received by a borrower.
- It comes with both obligatory and voluntary savings programmers for the borrowers.

2.3 Differences between microcredit and other financial organizations

Main differences between microfinance institutions (MFIs) and commercial banks:

- Collateral requirements of commercial banks
- Documentation requirements of commercial banks
- Profit-maximization orientation of commercial banks

MENTIONED ORGANIZATIONS recognizes the human value of individuals, not merely their financial value, and therefore emphasizes the following:

- Personal relationships between NGOs staff and members, and among members themselves
- Mutual trust between NGOs staff and members
- No legal action against defaulters
- Collateral free banking
- No decumbent required and no legal instrument.

Absence of loan utilization monitoring programs in the commercial banking sector results in repayment rates of under 50% in the national commercial banks

2.4 How microfinance works:

The main purpose of this program is to increase the poor people's access to credit and empower them through increasing income, capacity building to handle their projects. The organizations received loan from Palli Karma-Shahayak Foundation (PKSF) and disbursed loans to borrowers who are the ultimate beneficiaries of the organizations. This support program has enabled those accessing loans, building capacity of using loans for productive projects and ultimately upgraded both their social and economic position in the community.

2.5 Target group for microcredit:

Precise definition of the target group

- Definition of target group: The bottom half of the population living below the International Poverty Line of US\$1 per day¹
- 44.9% of the rural population in Bangladesh lives below the International Poverty Line²
- Precise criteria specification of the target group

Specification of target group

- Less than 50 decimals (0.5 acres) of medium-level land
- Total assets of market value less than one acre of medium-level land
- House-valuation index

Lifetime membership

- All the mentioned organizations are an ongoing concern and thus membership is retained by members who escape poverty and the target group specified above

III. AN OVERVIEW ON the mentioned Mid-level NGO's

3.1 Objectives of Rural Mid-level NGO's:

To extend NGO facilities to the poor and thus provide them with access to credit and economic opportunities

- To eliminate the exploitation of the poor by the moneylenders and landowners
- To create self-employment opportunities in response to the scarcity of wage employment and the underutilization of abundant labor resources

To break the vicious cycle of poverty

- Low income leads to low savings; low savings causes low investment; and, in turn, low investment leads to low income, thus perpetuating the vicious cycle of poverty
- The cycle may be broken by an income-generating investment

To empower and unify scattered, marginalized and voiceless people

- Enhance the political consciousness and participation of members
- Provide a network of social support for members

3.2 Organizational Structure

1) Operational Structure:

Head Offices

ZONE, consisting of 4-5 Area Offices

Area, consisting of 4-6 branches

Branch Office, consisting Of 70-110 Samaity 12-20 Samity under a Credit officer, And 15-40 group members under a Samaty.

The above structure is flexible and the organization is built upwards from the level of the branch according to the demand for its services (i.e. Zones, Areas and Branches vary in size)

Pilot projects and experimentation dictate the organizational structure and its evolution

3.3 Common structure of the General Body (GB):

Normally the Mid-level organizations found the General Body (GB) consists with 21 members.

- The General Body members select a seven (7) members Executive Committee (EC) for three (3) years period to function.
- The Executive Committee appoints/selects the Executive Director to function as the Chief Functionary of the organization.
- The Executive Director appoints its counterparts in consultation with Chairperson of the Executive Committee.

Election procedure of the 7 elected members of the Board of Directors

- The Center Chiefs of each Branch elect a Branch Representative among themselves.
- The Branch Representatives of each Area elect an Area Representative among themselves.
- The Area Representatives of each Electoral Zone3 elect a Zonal Representative among themselves.
- Each Zonal Representative holds a seat on the Board of Directors.
- The Board of Directors meets at minimum least twice per year at the Head Office.

3.4 Mid-level organizations at a Glance:

3.4.1 Owned by the Poor:

Aiming to promote socio-economic emancipation of the underprivileged men, women, children and youths in the Southwestern part of the country in Bangladesh and later extended in other parts of the country considering the demand of the people.

3.4.2 Education Sponsorship for Children's Education:

A large number of underprivileged families both in rural and urban areas are unable to send their children in school due to their dire poverty as a result they remain out of education system (schools) and increase the number of illiterates. Under this program children are given all educational related expenses such as: tuition fees, dresses, books, exercises, pen, pencils, special gifts, festival dresses, and food during festivals etc. May of the children are now continuing their education from primary to college levels.

3.4.3 School Feeding Program:

This program is supported by the United Nations World Food Programme (WFP) to support school going children aiming to provide supplementary nutritious food, increase enrollment, increase class attendance, quality education and improvement of nutritional status of the children. This program is mainly run in the vulnerable and food deficit areas to help school children school goes. The organization who works for this program has been given responsibility for delivering High Energy Biscuits (HEB) in the schools and monitoring the program.

3.4.4 Branches:

Mid-level organizations have branches to operate its microfinance program smoothly. It works in villages, remote and urban area with its devoted development workers.

3.4.5 Foreign remittance Service (Inward):

As one of the biggest three pillars of our national economy, Remittance is absolutely a giant contributor. Remittance contributes to our national economy is a large scale by increasing foreign exchange reserve, per capita income and employment opportunities. Bangladesh has once again taken a spot among top ten remittance-earning countries on the back of an upgrade in the legal status of migrant workers in Gulf countries, according to a World Bank report. In the concluded fiscal year, migrant workers sent home billions in remittance. From the mentioned organizations few of them have undertaken to promote remittance service from June 2007, has been render with the collaboration with Bank Asia Through different world-renowned branded money transfer agent; Western Union, Wall Street, IME, Express Money, Merchant Trade, Choice Money, Placid Express and Remittance World. These few organizations promote the remittance service through its all-microfinance branch offices across the country.

3.4.6 Institutional Capacity Assessment:

Mid-level organizations has a long year practical experience in both Welfare and Development

activities. It has already built-up efficient human resources those who are capable to handle large projects and programs.

3.4.7 Emergency Assistance:

As Bangladesh is a calamity prone area, almost every year she has to face different types of natural disasters. To face both natural and manmade disasters the mentioned organizations have made an emergency funds to face any unpredicted emergencies to respond immediately without donor's fund. During the previous disasters with the supports of different donors helped the victims with relief and rehabilitation. All the mentioned organizations have already build-up members on strong Disaster Mitigation Teams who are capable to handle the primary emergency.

3.4.8 Community Healthcare Program:

Mid-level organizations driven "Community Healthcare Program" is an absolutely outreach project. Mainly, mentioned organization planned to establish few Community Healthcare centers at the village level to extend Primary Health Care at the door step of the rural people especially to the beneficiaries of all running programs and projects in its working areas. "Community Healthcare Program" basically seeks to ensure complete healthcare services in grass route level. Even the country's healthcare status has reached a crossroads where success can be rejoiced but those could be short-lived if certain challenges are not met. Still lots of gaps are making some concern in this regards. From the Social Commitment, Mid-level organizations started "Community Healthcare Program" without being depended for having any financial support from outside. This program has been designed in the light of Government of Bangladesh driven Community Clinic which is financially backed by the organizations itself.

3.4.9 Training and Resource Centre:

TARC's emergence is to create skill human resource for social development, to assist small NGO and poor community people through training activities and conduct different types of research repeatedly. The intent of this organizations self-reliant phenomenon to create a corporate momentum with its long run. This

Spectacular training center which is absolutely surrounded by green natural beauty; offers its space to all the NGOs, development and corporate organizations and institutes as rental basis.

3.4.10. Earns Profit:

Ever since Mid-level organizations came into being, it has made profit every year. All of them have published its audited balance-sheet every year, audited by two internationally reputed audit firms of the country. All these reports are available on CD, and some on their web-sites.

3.4.11. Deposit Rates:

Mid-level organizations offers very attractive rates for deposits. Minimum interest offered is 8.5 per cent. Maximum rate is 12 per cent.

3.5 DEVELOPMENT PARTNERS:

- Marginal farmers
- Destitute men and women
- Landless Peasants
- Children, Youths and Elderly
- Hardcore poor

3.6 Difference between MFI organizations and Commercial Bank.

1) No Collateral

MENTIONED ORGANIZATIONS does not require any collateral against its micro-loans. Commercial banking is based on collateral, the principle that the more you have, the more you get. MENTIONED ORGANIZATIONS methodology is not based on assessing the material possession of a person. While commercial banks look at what has already been acquired by a person, Grameen looks at the potential that is waiting to be unleashed in a person.

2) No Legal Instrument

Since the MENTIONED ORGANIZATIONS does not wish to take any borrower to the court of law in case of non-repayment, it does not require the borrowers to sign any legal instrument. There is no stipulation that a client will be taken to the court of law to recover the loan, unlike in the conventional system. Commercial banks go into punishment mode when a

borrower is taking more time in repaying the loan than it was agreed upon. Mid-level organizations allows such borrowers to reschedule their loans without making them feel that they have done anything wrong.

3) Branches in the Rural Area

'Grameen' means "rural" or "village" in Bangla. Mid-level organizations branches are located in the rural area, unlike the other commercial bank which tries to locate themselves as close as possible to the business districts and urban centers. First principle of MENTIONED ORGANIZATIONS is that the clients should not go to the bank, it is the bank which should go to the people instead. Mid-level organizations has branches, works in villages with its devoted staffs.

4) Low Interest Rates

Government of Bangladesh has fixed interest rate for government-run microcredit programmer at 11% at flat rate. It amounts to about 22% at declining basis. MENTIONED ORGANIZATIONS interest rate is lower than government rate. There are four interest rates for loans from MENTIONED ORGANIZATIONS: 20% for income generating loans (so-called "Basic Loan"), 8% for housing loans, 5% for student loans, and interest-free loans for beggars. All interests are simple interest, calculated on declining balance method. If a borrower takes a basic loan, and pays back the entire amount within a year in weekly installments, borrower will pay a total amount of principle, and equivalent to 10% interest for the year.

IV. HRM PRACTICE IN THE AFORESAID MID-LEVEL ORGANIZATIONS

4.1 Human Resource Department:

To manage and effective supervision of huge number of employees there has no a separate department namely Human Resource Department for the purpose of well management of Human Resources as well as proper monitoring. Mid-level organizations has various Departments. They are as follows:

- Administration Department
- Training Department
- Accounts & Finance Department
- Service Department

- Establishment Department
- Monitoring & Evaluation Department
- Audit Department

4.2 Human resource planning:

Human resource planning is the process of estimating human resource needs for achieving human resource and organizational goals. It is the process through which organizational goals are translated into objective. At Mid-level organizations, they believe that their Human Resources give the company a significant competitive edge in terms of knowledge and experiences.

Mid-level organizations has an administrative Department. Mid-level organizations is one of the biggest employers in Bangladesh. For the employees there is systematic in house training in home and abroad. The effective working days of this organization is 5 days per week and each employee will work 8 hours per day. For festival leave, usually they will get the vacation of 7 days.

Mid-level organizations usually paid their salaries to employees within 7 days of the next month. They try maintaining to continuous development of the human resource through appropriate training and motivation.

4.3 HR Practices of Mid-level organizations:

- Recruitment
- Training
- Employee relation
- Job analysis
- Job design
- Selection
- Performance Management
- Development
- Incentives
- Benefits

4.4 Recruitment and Selection process in Mid-level organizations:

Recruitment is the process through which the organization seeks applicants for potential employment. Selection refers to the process by which it attempts to identify applicants with the necessary

knowledge, skills, abilities and other characteristics that will help the bank achieve its goals, banks engaging in different strategies need different types and numbers of employees. The strategy a company is pursuing will have a direct impact on the types of employees that it seeks to recruit and selection.

4.5 Recruitment Philosophy:

Mid-level organizations commits to promoting best employment equality practice in its efforts to eliminate discrimination and create working environments where are treated fairly and with respect. No written document is maintained its recruitment and selection philosophy is concerned. However the Company believes:

- All people should have an equal chance to apply for and be considered for jobs;
- Harassment, bullying and discrimination are not acceptable; and,
- Comply fully with and implement legal requirements and employment guidance;
- Ensure all employees are aware of the Company's Employment Equality Policy Statement through training and guidance;
- Create working environments that promote fair and equal opportunities;
- Develop, implement and publish plans for employment equality; Monitor the existing workforce and job applicants to see if the policy is working and take action to deal with under representation;
- Regularly monitor and review all employment procedures and make changes to them where they are found to be discriminatory;
- The Company's Recruitment Complaints procedure provides one with the right to redress where he or she feel that he or she have been treated unfairly or discriminated against the recruitment and selection process.
- Compliance to have strict rules to ensure that the recruitment decisions are based on merit and the aim is to ensure that everyone has an equal chance to apply and be considered for jobs.

4.6 Job Analysis:

A job analysis provides a list of the personal attributes required to work effectively in the role. This list of attributes is identified first by breaking down a person's job into logical parts. Next, each job task is analyzed according to the knowledge, skills, abilities and attitudes required to perform the job: correctly.

4.7 Source of recruitment:

There are two kinds of source Mid-level organizations uses for recruitment. They are

1. Internal source.
2. External source.

I am trying to discuss all relative sources which are used for recruitment in Mid-level organizations.

- Internal source:

Mid-level organizations thinks that current employees are a major source of recruits for all but entry-level positions. Whether for promotions or for 'Lateral' job transfers, internal candidates already know the informal organization and have detailed information about its formal policies and procedures. Promotions and transfer are typically decided by operating managers with little involvement by administrative department.

A. Job-posting programs:

Administration departments become involved when internal job openings are publicized to employees through job positioning programs, which informs employees about opening and required qualifications and invite qualify employees to apply. The notices usually are posted on bank bulletin boards. Qualification and other facts typically are drawn from the job analysis information. The purpose of job posting is to encourage employees to seek promotion and transfers the help the Administration department fill internal opening and meet employee's personal objectives. Not all jobs' openings are posted. Besides entry level positions, senior management and top staff positions may be filled by merit or with external recruiting. Job posting is most common for lower-level clerical, technical and supervisory positions.

B. Departing Employees:

An often-overlooked source of recruiters consists of departing employees. Many employees leave because they can no longer work the traditional 40 hours' work week. School, child care needs and other commitments are the common reason. Some might gladly stay if they could rearrange their hours of work or their responsibilities. Instead, they quit when a transfer to a part-time job may retain their valuable skill and training. Even if part-time work is not a solution, a temporary leave of absence may satisfy the employee and some future recruiting need of the employer.

C. Walk-ins and Write-ins:

Walk-ins are some seekers who arrived at the Administration department of Mid-level organizations in search of a job; Write-ins are those who send a written enquire. both groups normally are ask to complete and application blank to determine their interest and abilities. Usable application is kept in an active file until a suitable opening occurs or until an application is too old to be considered valid, usually six months.

D. Employee referrals:

Employees may refer job seekers to the Administration department. Employee referrals have several advantages. Employees with hard-to-find job skill may no others who do the same work. Employee's referrals are excellent and legal recruitment technique, but they tend to maintain the status quo of the work force in term of raise, religions, sex and other characteristics, possibly leading to charges of discrimination.

Advantages:

- Morale of promote
- Better assessment of the abilities
- Lower cost for some jobs
- Motivator for the good performance
- Causes a succession of the promotions
- Need to hire only at the entry level

Disadvantages:

- Possible morale problems of those not promoted

- “Political” infighting for the promotions
- Talent pool within the organization might stagnate, so the need to bring in fresh flow of ideas & opinions

External source:

When job opening cannot be filled internally, the Administration department of Mid-level organizations must look outside the organization for applicants. We discuss all the external source of recruitment at below:

A. Advertising:

Want ads describe the job and the benefits, identify the employer, and tell those who are interested how to apply. They are most familiar form of employment advertising. for highly specialist requites, ads may be placed in professional journal or out of town newspaper in areas with high concentration of the desired skills

B. Internet:

Now today nobody thinks anything without internet. So Mid-level organizations give the job advertises at internet.

Example:

WWW.bdjjobs.com & on the own websites.

Advantages:

- New “Blood” brings new perspectives.
- Cheaper and faster than training professionals.
- Less groups of the political supporters in the organization already.
- May bring new industry Insights.

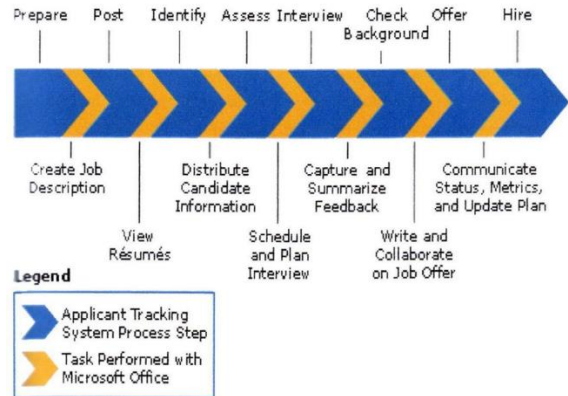
Disadvantages:

- May not select someone who will “fit” the job or the organization.
- May because the morale problems for the internal candidates not selected. Longer “adjustment” or orientation time.

4.8 Selection Process:

The following figure shows a typical recruiting process where switching between tools is a frequent occurrence.

Figure 5: Selection Process



4.8.1 Selection Parameters:

The job constructs (dimensions) and the sub-dimensions, against which applicants are evaluated in Mid-level organizations for suitability and compatibility, are shown below.

- Communication skills
- Self-motivation
- Interpersonal / ability to sell self and ideas
- Leadership potential and skills
- Decision making abilities
- Judgment abilities
- Knowledge bases / technical skills
- Management abilities

4.8.2 Screening and Short-listing Applications:

The responses to the advertisements are sorted and screened. The CVs as well as the covering letters are judged. Experience, educational degree, computer literacy, etc. are the basis of judging the candidates application.

4.8.3 Written test:

It is the most important and effective tool for judging the candidates. The written test includes IQ test, behavioral competencies, and communication skills.

4.8.4 Interview:

The selection interview is a formal, in-depth conversation conducted to evaluate an applicant's acceptability. Through interviews the interviewers of Mid-level organizations seek to answer three broad questions:

1. Can the applicant do the job?
2. Will the applicant do the job?

How does the applicants compare with other who are being considered for the job? Selection interview are most widely used selection technique. They can be adapted to unskilled, skilled, and managerial and staff employees. They also allow two-way exchange information: interviewers learn about the applicant and the applicants learn about the employer.

4.8.5 Reference checking:

Reference and background check are important, which refers the process to undertake of those application that appear to offer potential as employees. Reference check is intended to verify that was state on the application from correct and accurate information. Some question are arises through reference checking. Those are:

1. Is the applicant a good, reliable worker?
2. Are the job accomplishments, titles, educational background, and other facts of the Resume or application true?
3. What type of person is the applicant?
4. What information id relevant to match the applicant and the job?

4.8.6 Medical check-up:

Normally, the evaluation consists of a health checklist and asked the applicant to indicate the health and accident information. The medical evaluation may:

1. Entitle the employer to lower health or life insurance rates for company pain insurance.
2. Be required by state or local health officials, particularly in food handling operations where communicable diseases are a danger.
3. Be useful to evaluate where the applicant can handle the physical or mental stress of a job.

4.8.7 Offer letter:

When the candidates satisfy the Human Resource Recruiting Broad, then the broad provide to the candidate offer letter.

4.9 Training and Development program of Mid-level organizations:

Training refers to a planned effort b a company to facilitate the learning of job-related knowledge, skills or behavior b employees. The goal of training efforts is for employees to master the knowledge, skills or ability emphasized in training program and to apply it in here day-to-day activities.

Training and development can be initiated to address a "performance gap" (learning needed to meet performance standards for a current task or job), "growth gap" (learning needed to achieve career goals) or "opportunity gap" (learning needed to qualify for an identified new job or role). Education is the process to increasing the level of knowledge and understanding. Training talks about 'know-why'. Most of the organizations are concern about know-how of employees. They are most concerned with employee training. As I known, the Training Department of Mid-level organizations is highly concern with continuous training and development of the employees.

4.10 Training as a process:

Few days before, training was not the company's prime concern. But now the situation has been changed rapidly. Training has become a standard process for the banks. Mid-level organizations is highly concerned about the training as an important and essential dimension. Therefore, the phases of training process are:

4.11 There are many types of method practices in Mid-level organizations:

We discuss that method at bellow

4.11.1 on the job training:

On the job training is a training that shows the employee how to perform the job and allows him or her to do it under the trainer's supervision on the job training is normally given by a senior employee or a manager. The employee is shown how to perform the job and allowed to do it under the trainer's supervision.

4.11.2 Job rotation:

Job rotation is a training that requires an individual to teach several different some in a work unit or department and performer each job for a specified time period. In job rotation, individuals learn several different jobs within a work unit or department. One main advantages of job rotation is that it makes flexibilities possible in the department. When one employee like junior officer absence another officer can easily perform the job.

4.11.3 Orientation /induction:

Through orientation Mid-level organizations they to introducing the new comers or new employees with its work unit, rules and regulation, culture, norms, value, believe and exposure to all important functions and locations of the bank and so forth.

4.11.4 Follow up:

For make the employee more effective and efficient Administrative Department continuously interacts with the new entrants assisting to cope up with the work environment, work culture, peer groups etc. In this stage the management tries to help the employee to get settled her/his problems in the job, work environment and workplace-culture.

4.12 Probation & Confirmation:

- In terms of appointment, persons selected for appointment with less than 3 years job experience will be on probation period of one year. After one year if he/she fails to show satisfactory progress then authority may not extend their probation period but will be terminated.
- An employee with more than 3 years job experience will be on probation for 6 months. An officer shall become eligible for confirmation in

the specified post subject to his successful completion of the period of probation.

During confirmation, an employee shall be eligible for 10% flat increment on gross salary and accordingly a confirmation letter to be prepared and signed by the concerned department head. No promotion will be allowed during confirmation; any exception will be approved by the Executive Director.

The confirmation of service of all officers and employees in the services of the Bank shall take effect on and from the date as will be specified in the order of confirmation.

4.13 Development of the human resources:

The long term development of human resources as distinct from training for a specific job is of growing concern to training departments of Mid-level organizations. Through the development of current employees the department reduces the company's dependents on hiring new workers. If employees are developed properly the job openings found through HR planning are more likely to be filled internally. Promotions and transfers also show employees that they have a career not just a job. The employee benefits from increased continuity in operations and from employees who fail a greater commitment. Training department is also an effective way to meet several challenges including employee obsolescence, international and domestic diversity, technical challenges. Affirmative action and employee turnover. By meeting these challenges the department can, maintain an effective workforce.

4.14 Steps in the Evaluation of training and development:

Evaluation criteria > pretest > trained or developed-Workers > posttest > transfer to the job > follow-up studies.

4.15 Internship:

Internship is a great way for students to gain experience and explore career options, but MENTIONED ORGANIZATIONS is keen to consider what interns can do for our organization. The

internship experience is mutually beneficial for MENTIONED ORGANIZATIONS and Interns either. The key component in setting up an internship in MENTIONED ORGANIZATIONS is well-structured which includes information on learning objectives, daily responsibilities, short-and long-term projects, supervisor assignments, evaluation procedures, policies and expectations, and orientation and so on. In reality, setting up an internship program is similar to starting any new program or project: It's crucial that MENTIONED ORGANIZATIONS have a plan with a view to conduct internship successfully. However, it's as easy as checking items off a list until that plan is put into action. MENTIONED ORGANIZATIONS thinks Internship programs can be appeared with tremendous benefits to organization activities in terms of increasing productivity and recruiting well-suited staff members.

According to MENTIONED ORGANIZATIONS Internship structure about 4 weeks to three months or the duration of one semester or quarter, or the duration that can be manageable by interns or organizations which take the internship services is a common internship length here in MENTIONED ORGANIZATIONS. However, length of internship can also be dictated by the duration of a school break; for instance, summer internships and winter internships are common, and take place over the course of a summer or winter vacation.

4.16 Staff Management:

- Staff management is the most important and challenging responsibility of the Branch Manager.
- Emphasis on commitment rather than task-orientation.
- Staff management at the Branch Office involves two components.
- Staff motivation.
- Staff retention.

4.16.1 Staff Motivation:

- Proper training and screening of probationary officers during the recruitment process.
- Personal contact between staff and community characterized by mutual respect.
- High level of responsibility of bank staff.

- Pride in the Branch is promoted through the star-ranking of all branches.
- Branches are awarded one star for each of the five following milestone accomplishments.

Table

STAR	AREA	DESCRIPTION
Green	Repayment	100% repayment record for two consecutive semi-annual closings
Blue	Profit	Positive profit at the annual account closing
Violet	Savings Mobilization	Savings deposits exceed total outstanding loans to the borrowers and the Head Office
Brown	Literacy	All the borrowers' children over the age of 6 are enrolled in school or have completed class 5
RED	Poverty Alleviation	All the borrowers who have been with GB for 5 years or more have crossed the poverty line, defined by the 10 indicators of Mid-level organizations

4.16.2 Staff Retention:

Weekly Branch meetings to address the problems and concerns of MENTIONED ORGANIZATIONS staff-

- Create a sense of staff solidarity and promote social awareness
- Proper training and screening of probationary officers during the recruitment process
- Recruitment bias towards graduates outside the fields of finance and economics
- Competitive salary, comparable to government banks
- Strong association of bank employees to deal with grievances

4.16.3 Staff Evaluation system:

- Semi-annual evaluation of all staff by immediate superior
- Co-signed by a counter signatory at a higher level (ex. Branch staff evaluations are completed by the Branch Manager and co-signed by the Area Manager)
- Confidential and inserted into employee file at

Head Office

- Extreme marks (high and low) must be justified by an accompanying statement of explanation

4.17 Compensation & Benefits at Mid-level organizations:

Mentioned mid-level organizations is committed about maintaining salaries and benefits that are fair to all employees and competitive in the local market place. The management monitors changes in the economy and salary market to ensure that the overall compensation package is sufficient to attract, recruit and retain high quality staff within the financial capabilities of the organizations. Here I am writing this section as per their language.

4.17.1 Principles of Salary:

The compensation structure is framed with the objective to attract and retain high quality people. The guiding principles of the compensation policies are:

- Individual's background and experience.
- External pay market levels and trends (determined through compensation survey). Particular skills requirements of the Bank.
- Bank's affordability.
- Bank's statutory obligations.

4.17.2 Components of Salary:

The components of compensation package are:

Office Management

- Monthly: Basic Salary, House Rent, Conveyance Allowance, Entertainment Allowance.
- Yearly: Yearly Leave Fare Assistance, Yearly Festival Bonus-2, Yearly Performance Bonus, Incentives & increments.
- Long Term: Provident Fund, Gratuity, KKT, Group Insurance Policy & Medical Benefits (Actual).

Field Staff

- Monthly: Basic Salary, House Rent, Conveyance Allowance, Entertainment Allowance, Personal Up-keep Allowance, Public Relation and Work Allowance, Utility.
- Quarterly/Yearly: Yearly leave fare assistance, yearly 02 festival bonuses.

- Long Term: Provident Fund, Gratuity, KKT, Group Insurance Policy & Medical Benefits (Actual).

4.17.3 Payment of Salary:

Mode of Payment: Payment shall be made only in Bangladeshi Taka. Every employee should have a salary account in Mid-level organizations-nominated bank. The salary will be transferred to the respective salary accounts from the Finance Department within 25th of the month.

4.18 Performance Appraisal Systems at Mid-level organizations:

Today every organization is interested – in doing better performance appraisals-

For the organization, Performance Appraisals provide the mechanism to cascade organizational strategies, goals and core values down to each employee. This ensures that their efforts are coordinated and their combined effort moves the organization in the right direction.

For Managers, the Performance Appraisal can be a practical and versatile management tool that helps them focus their employees' activities, monitor their progress, and encourage their development

For Employees, effective Performance Appraisals can have a positive effect on morale. Employees who know what is expected of them and how they will be evaluated will approach their work with a better attitude and better sense of responsibility.

4.18.1 Reasons for an Appraisal:

Reasons for introducing performance appraisal in Mid-level organizations. Explaining below:-

- To identify any training that, may be needed.
- To make personal / business objectives clear.
- To identify employees that are potential for promotion.
- To review salaries or payment methods.
- To identify individual strengths of employees.
- To increase motivation.
- To improve performance.
- To update job descriptions.

4.18.2 Developmental performance appraisal purposes:

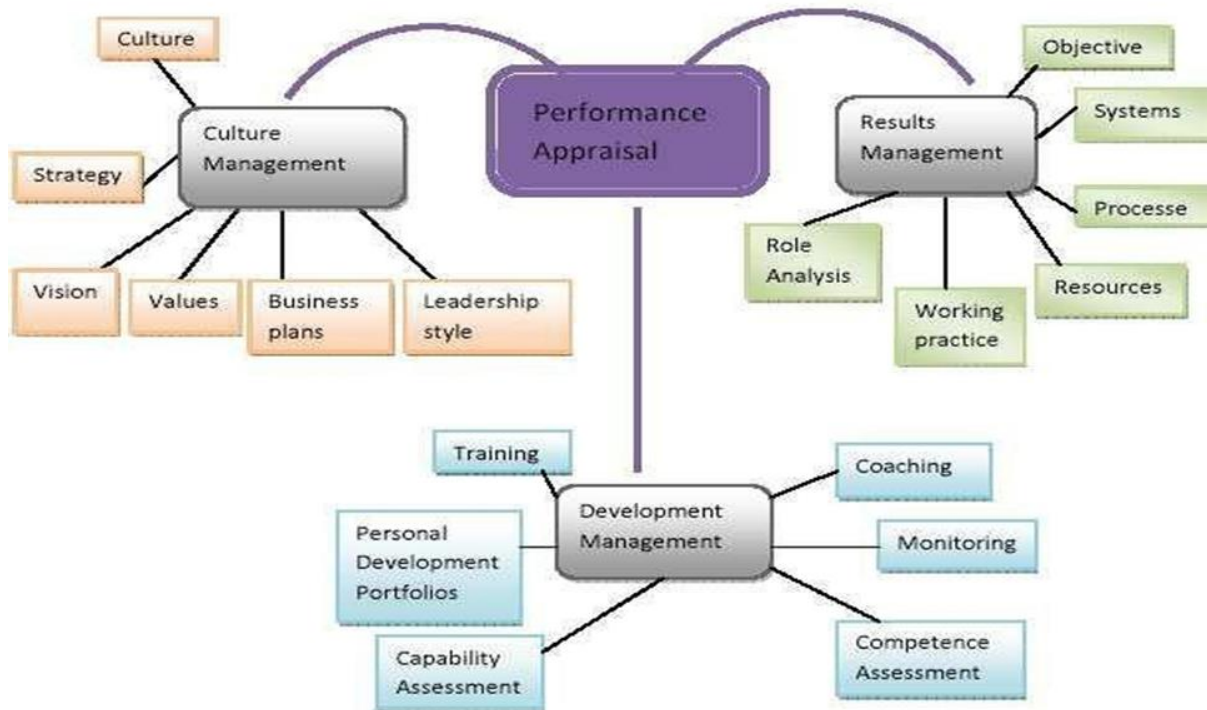
One of the most important aspects of performance appraisal is that of personal development. The developmental approach to performance appraisal recognizes employees as individuals with concerns and needs. The developmental approach uses performance appraisal as a contributor to employee motivation, development, and human resources planning. Mid-level organizations following the additional purposes:-

- They provides a formal structure for communications between employees and

managers to help clarify local issues, needs and expectations

- They provide employees with the formal opportunity to indicate their career direction, level of ambition and how it could be attained.
- They provide formal recognition and informal encouragement to the employee who has been trying to perform well.
- They formally shows organizational interest and support opportunities for personal development.

The Three dimension of performance Appraisal –



In case of evaluation everybody has to follow individual format and rating method. Based on performance evaluation company provides rewards to their employees. On other hand, we can say that, Mid-level organizations is providing rewards based on performance not based on seniority or loyalty.

4.19 Employee Relation:

Employers and employees each have their own sets of needs and values, and successful relationship between these two sides requires that some sort of balance be struck. This balance often takes the form of a

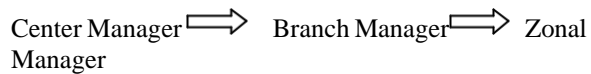
psychological contract, an understood agreement between employer and employees that defines the work relationship. This contract with or without support of a formal collective bargaining, agreement influence the outcome achieve by each side.

Mentioned mid-level organizations group the various into three channel categories those are-

1. Employee safety
2. Employee health
3. Employee working condition

4.20 Promotion Policies of Mid-level organizations:

The movement of personnel within an organization—their promotion, transfer, demotion, and separation is a major aspect of human resource management. The actual decision about whom to promote, and who to fire can also be among the most difficult, and important, a manager has to make. For every organization promotion is extremely important, when the process based on merits and skills of the employee. The employee of are gets both rewards and punishment from their employer based on their performance. Usually money transfer or other benefits are provided as rewards. On the other hand a major problem of promotion is discrimination and favoritism.



4.21 Pay Policies of Mid-level organizations:

Once the job evaluation is complete, the data generated become the nucleuse for the development of the organization’s pay structure. This means pay rates or range will be established that are compactable with the ranges, classifications, or point arrived at through job evaluation.

- Pay structure

No information is given, as this is considered highly restricted information.

- Provident Fund

In Mid-level organizations 10%-12% of the basic salary goes to the provident fund and the employee pays the same amount of their basic salary.

- Medical Facilities

Doctors are arranged to visit each location of numbers of times a week to provide necessary medical support to the employees. Moreover, the non-management staffs enjoy medical allowances.

4.22 Work place Flexibility:

The employee of Mid-level organizations enjoys workplace flexibility. For example, there is a system of job rotation. Employee benefits such as:

- Health plan and routine medical allowance including optical and dental treatment. Short and long-term disability coverage, as well as life

insurance.

- Paid leave for maternity, sickness and vacation.
- Staff banking privileges, including special interest rates for education loans, sundry loans and home loans.
- An active Sports and Social Club. Development opportunities and career support. Retirement benefits.

V. ANALYSIS & FINDINGS

5.1 SWOT analysis of compensation & benefit plan of the organizations:

Strength:

- Higher compensation attracts the new and potential employees;
- Employees eager to take responsibilities for getting more benefits;
- Mid-level organizations has a well-constructed Promotion policy;
- Their improved productivity increases the company’s goodwill as well as benefit;
- Mid-level organizations has a well-constructed compensation policy;
- Employee being motivated by the standard level of salary.

Weakness:

- Good salary not necessarily satisfy employee always.
- Most of the time field level employees are discriminate by the head offices employees.
- It will create problem if the amount of salary or other benefit is less than for same level employees.

Opportunity:

- If Mid-level organizations increases other benefits like increase number of bonuses etc. they could easily attract more eligible employees from other renowned company.
- More open service to bring in and bring on talent – developing staff at all levels to Achieve full potential is a key commitment;
- Mid-level organizations can increase the amount of salary of the transition period to attract the new employees.

Threat:

- If the employee finds that other company provides more benefit than Mid-level organizations, and then may be the employee switch the job to another company.
- High rate of turnover may occur if the employees are not satisfied with the current pay scale.

5.2 Analysis & findings:

This report has tried to analyze the human resource development aspects that are practiced at Mid-level organizations. Through an exploratory approach this report reveals the genuine human resource development aspects of a world known NGO. The Mid-level organizations tries to recruit the efficient people and try to motivate them through attractive remuneration package.

Mid-level organizations is contributing significantly towards human development through various praiseworthy activities. However, some problems are associated with managing people as it is the most complex in nature.

Mid-level organizations has a lot of weakness in their Recruitment and Selection Policy. Findings derived from question-answer of sample personnel as primary source and Bank's book and records as secondary source and also from my past experience with the Bank.

1. Mid-level organizations beliefs, in present competitive and dynamic environment human resource department are the most valuable department than the other.
2. The lack of Separate human resource policy and planning department. So after a certain time activities are not monitor properly.
3. MENTIONED ORGANIZATIONS has several departments.
4. MENTIONED ORGANIZATIONS has various types of supporting department.
5. These organizations have also specific Training Program Center.
6. Each employee gets training only 06 Months.
7. Field level employee's turnover rates are medium.
8. Training and development programs of Mid-level organizations include orientations, and socializations activities to inform employees about policies and procedures.
9. Mid-level organizations Provides Internships facility of various Universities but not agree to provides enough information's for conduct this Internship report.
10. MENTIONED ORGANIZATIONS doesn't provide outsourcing training.
11. Mid-level organizations try to develop their employee with future advancement and educate them in jobs kills.

12. Mid-level organizations, design their job in such way, which is the right person at the right place at the right time to achieve their objectives and goals.
13. Multiple step recruitment process which is time consuming and expensive.
14. They can't fix the criteria for recruitment and selection of a new employee.
15. Mid-level organizations follows both the internal and external sources of recruitment.
16. They have no Proper Manpower planning.
17. They have strong relative business in terms of recruitment.
18. Not giving enough concentration on employee career development.
19. Sometimes create bias in salary scale between two or more employees whose designation is same.
20. Organization conducts health, hygiene and different awareness program for the all staffs.
21. Organization has a well-constructed promotion Policy.
22. Organization has a well-constructed Compensation Policy.
23. MENTIONED ORGANIZATIONS have a pension Facility.
24. MENTIONED ORGANIZATIONS provide various staff loan facility.
25. MENTIONED ORGANIZATIONS provide various bonuses, such as two festivals, one agrarian etc.
26. MENTIONED ORGANIZATIONS conduct retried policy follow by the GOVT. policy.
27. Most of the time field level employees are discriminate by the head office employees.
28. They have no fixed budget for the development of employees.
29. They can't set a standard for the employee so the employee can perform according to the standard.
30. They can't follow adequate method for the measurement of employee performance.
31. Sometimes they can't properly measure the performance of employees.
32. Absence of transportation facilities for all the employees.
33. Hospitalization policy is not transparent.
34. They cannot provide any kind of mobile allowances and also over time allowances.
35. Employee can't participate in case of decision making.
36. Mid-level organizations trusts in team work and

respects each other.

A joint research project of the BIDS and the World Bank conducted the most comprehensive impact study of microfinance, which finds strong evidence that participation in microcredit programs help the poor through consumption smoothing and asset building (Khandker, 1998; Pitt & Khandker, 1998). The findings support the claims that microfinance programs promote investment in human capital (such as schooling) and raise awareness of reproductive health issues (such as contraceptives) among the poor households. The studies also shed light on the role of gender-based targeting and its impact on household and individual welfare, finding that microfinance helps women acquire assets of their own and exercise power in household decision making.

Subsequently, using the same BIDS-World Bank (1991/92) survey data, Morduch (1998) found either small or non-existent program effects. However, this study applied the difference-in-difference technique, which is suitable only for a randomized experimental study, whereas the BIDS-World Bank survey is of the quasi-experimental type and hence endogeneity of program participation is a serious issue. Another important study by Pitt, Khandker, Chowdhury, and Millimet (2003) investigated the impacts of microfinance using household panel data from Bangladesh. They found a declining long-term effect of microfinance as well as the possibility of village saturation from microfinance loans. Microfinance continues to reduce poverty among poor borrowers and within the local economy, although at a lower rate. The study also finds that microfinance raise per capita household expenditure for both participants and nonparticipants. The review of impact study has so far focused on the impact of microcredit on households in respect to income, consumption, asset building and health and schooling issues. The impact could also be assessed by examining some selected aspects of the impact.

CONCLUSION & RECOMMENDATIONS

Since the late 70's Microfinance in Bangladesh has achieved significant reputation because of playing a vital role in alleviating poverty for the rural poor. So, Bangladesh is rightly considered the pioneer of an innovative microcredit program, introduced by Nobel Laureate Professor Dr Muhammad Yunus, through Grameen Bank. This paper has depicted a clear picture of the performance of HR involve in microfinance and the operations mid-level mentioned organizations (MFIs) in Bangladesh in brief. Therefore, we can hope that the expansion of microfinance in newer sectors

and members engagement in income generating activities (IGA) through MFIs' financial support will attract more and more community members to the arena of microfinance in coming days ahead. Further to mention that, there are different regulatory, e.g., MRA, and financial support assistance organizations, e.g., PKSF, have been doing extremely well to smooth the operations of the MFIs in Bangladesh. Moreover, BIDS and InM have been working as a core research organization in the field of microfinance. The policy makers have recognized the importance of microfinance in Bangladesh and also the government has interest to boost up the sector under its specific policy. Therefore, following the persistent trends of growth of MFIs in Bangladesh, the current poverty level can further be reduced through the combined efforts of the government bodies, MFIs, donor agencies and the member of the MFIs. In short at present a large number of HR are involve with this industry.

5.1 Conclusion

This report is prepared for the purpose of academic under Doctorate program of Business Administration. Information of this study has been used only for academic purposes and secrecy has been maintained properly. Finally, I want to say that this paper highlights a good number of aspects regarding Human Resource Management (HRM) system. This report shows that a sound and employee friendly HRM policy & procedures are beneficial for the micro finance organizations if it is practiced fairly and consistently. The major HRM activities, such as HR planning, recruitment and selection, attracting and retaining the employees, compensation & benefit, and performance appraisal system should be practiced in such a manner that help in improving employee morale and motivation resulting the achievement of organizational goals and objectives in the micro finance sector. I have learnt many information and system related HR management from this program that may be used for the development of other organization.

Employer have started to understand that the more they invest in human resources that more output is likely which lead them to emphasize on employee capability development. As such fin many organizations, employee development is viewed as part of business plan. Employer and Employee relationship is better than the past, employers now recognize the importance of employee's participation in business planning, major decision making and organizational change process. Many organizations now conduct employee opinion surveys for collecting employee feedback and improve employer-employee

relationship.

In future the overall HR practice is expected to be brighter in every sector in Bangladesh, because:

More are feeling the necessity of an established HR department in both in institutional and organizational structure.

Employer as well as Employee relationship is expected to improve.

It will be part of HR practices, which will make HR actions, decision-making process faster and accurate.

6.2 Recommendations:

Recommendations of Research paper's report has been made on the basis of the research findings and analysis of the mentioned organizations from its Operational Headquarters. Findings of my study show that the human resource Management practices are much better in the mentioned organizations, except a few exceptions, are observed to be more or less satisfactory. To keep the effective "Human Resource Management practices" following are some recommendations:

1. The selection process should be made less complex because time is important in this modern world.
2. Mid-level organizations beliefs, in present competitive and dynamic environment human resource department are the most valuable department than the other.
3. Mid-level organizations should conduct a separate Human Resource Department to properly maintain human resource & monitor.
4. Quality of employee recruitment decision must be ensured. Incorrect staffing decision may quite costly for the organization.
5. Need to lessen or reduce the time passed through the entire selection process.
6. Focus on the quality of the experience, not the quantity of experience.
7. They should enhance the duration of training period.
8. MENTIONED ORGANIZATIONS should provide outsourcing training for the organization.
9. Maximum employee's tenure or service length is not more in Mid-level organizations. So, training programs held in a regular basis will motivate the

employees and they will know much about performance measurement system.

10. They should transparency in terms of recruitment.
11. Mid-level organizations committed to draw the most talented and dynamic professionals from the available candidates.
12. They should conduct Proper Manpower planning.
13. Mid-level organizations should provide some extra career management benefit for their employees.
14. Discrimination related to gender and race should be strictly avoided. It will improve the working environment
15. They should consider their skilled people as asserts for their organization.

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